



# Department of Justice

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**FORMER SENIOR VICE PRESIDENT OF MATTEL, INC.**  
**SENTENCED FOR CAUSING THE SUBMISSION OF**  
**FALSE FINANCIAL REPORTS TO THE FEDERAL ELECTION COMMISSION**

WASHINGTON, D.C. — Fermin Cuza, the former Senior Vice President of International Trade and Government Relations for Mattel, Inc., was sentenced to two years probation and ordered to pay a \$500 fine for his role in a scheme involving the fraudulent financing of federal campaign contributions, Acting Assistant Attorney General John C. Richter of the Justice Department's Criminal Division announced today. The sentence was imposed by the Honorable R. Gary Klausner, United States District Court Judge for the Central District of California. In November 2002, Cuza paid \$188,000 to the Federal Election Commission (FEC) and California state election authorities pursuant to a conciliation agreement he had reached with the FEC.

On April 25, 2005, Cuza pleaded guilty to a single count of causing the submission of false statements to the FEC. In court documents filed that day, Cuza admitted that in March 1997, he and Alan M. Schwartz, a former Mattel consultant and owner of AMS Consulting, Inc., began making campaign contributions to various California-based candidates for state and federal office. Many of these contributions were made through straw donors, or conduits, several of whom were Cuza family members or associates. Cuza then arranged for AMS Consulting to bill Mattel, under the guise of "consulting services" or "international trade services," in the amount of the campaign contribution and any related expenses. Upon Mattel's payment of the AMS Consulting invoices, Cuza was reimbursed for those contributions made in his name, or in the name of his family members or associates. Under the Federal Election Campaign Act (FECA), corporations were prohibited from making contributions or expenditures from their general treasury funds in connection with any election of any candidate for federal office. The FECA also prohibited the use of conduits, or straw donors, as a means of circumventing the prohibition against corporate contributions. In all, Cuza and Schwartz made \$102,214 in contributions to 31 separate federal

campaign committees. In turn, the responsible official of each committee submitted reports to the FEC that falsely characterized the contributions as being funded by the individuals listed, when in fact the contributions were funded through Mattel's general treasury funds. Cuza, 57, of Palm Desert Calif., pleaded guilty to causing the reporting official of one of those campaign committees to submit false reports to the FEC. Schwartz pleaded guilty to a similar charge in May of this year and will appear for sentencing in September.

The case was investigated by the Federal Bureau of Investigation. The case was prosecuted by Mary K. Butler and Natasha Tidwell of the Public Integrity Section of the U.S. Department of Justice, headed by Section Chief Noel Hillman.

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